

CORPORATE PORTFOLIOS

The 'Corporate' portfolio consists of:

- Councillor Lynn Williams – Leader of the Council
- Councillor Ivan Taylor – Cabinet Member for Projects and Partnerships

The full details of the portfolio areas can be found on the Council's website at <https://www.blackpool.gov.uk/Your-Council/Your-councillors/Executive-members.aspx>

Strategic Issues

COVID pandemic: Recent developments and local arrangements

As a Council and a town, our efforts to combat and manage the effects of the coronavirus continue through our hard-working and dedicated staff. Our public health team is helping to identify and manage infection, and we would particularly like to praise their responsiveness and flexibility at this time of great pressure. Working with departments across the council and the wider health and social care system, the governance arrangements established by the team ensure that Blackpool will respond quickly and effectively to contain a local outbreak.

We have taken action quickly to support the national NHS Test and Trace System with the launch of our own Local Contact Tracing Systems on 2 September. These build on the national process, taking full advantage of our local knowledge to trace people that the national system cannot reach. Locally trained contact tracers within the Council contact cases via telephone and home visit if necessary and collect all the contact information as required. Households are given advice and guidance on self-isolation and details are collected on any contacts they have had, which are followed up by the national system. The service is evolving to prepare for the likelihood that demand may increase, bringing in contact tracers from other Council departments and providing a service 7 days a week.

In terms of our support for those required to self-isolate, our town-wide Corona Kindness campaign continues to see a small number of people getting in touch to access our support services and we are continuing to offer advice, guidance and support via community hubs. The hubs have organized and carried out hundreds of welfare checks to clinically extremely vulnerable people who had not been contactable by phone and worked in partnership with Adult Social Care to ensure that any issues with the national food parcel delivery network could quickly be addressed locally, whilst that anyone who could not access their medication was supported by a volunteer who could make the collection on their behalf. Whilst many of the people we have helped have been able to put in place sustainable arrangements for the future

via neighbours, friends, family and the efforts of local and national businesses, we remain ready to increase our support offer if required.

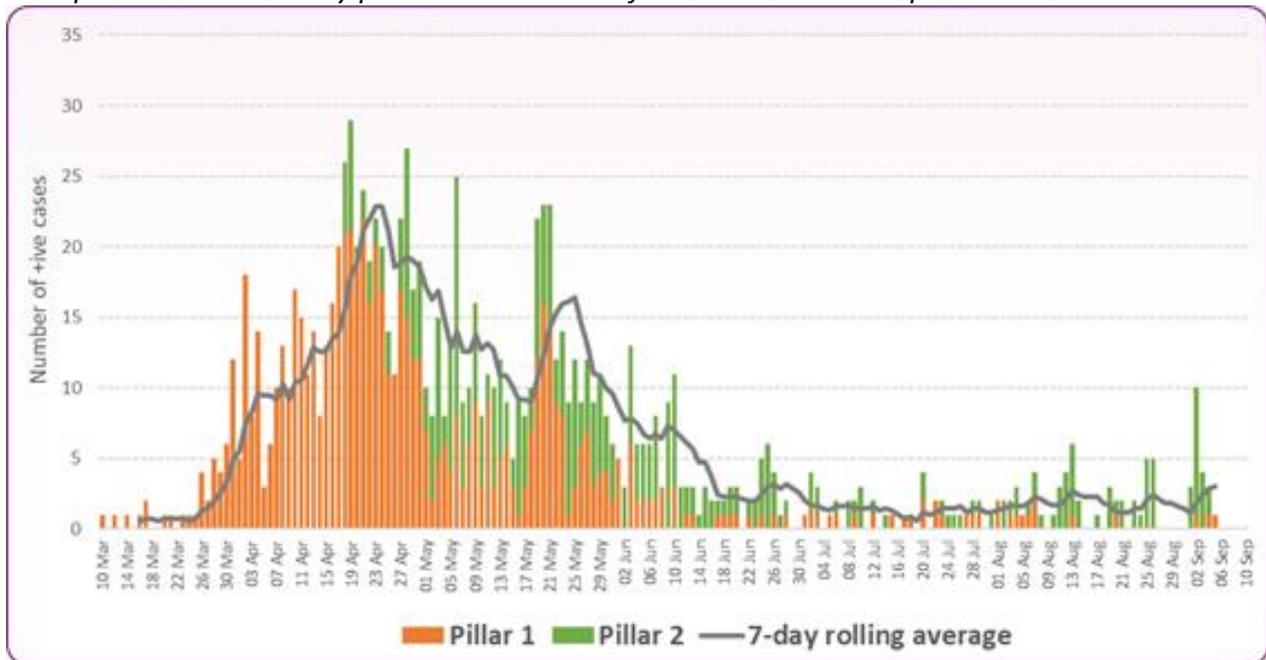
COVID-19 Cases

Testing for COVID-19 allows the diagnosis of an individual, but also allows us to track the progress of the epidemic. Testing has been undertaken in two 'pillars':

- Pillar 1: swab testing in Public Health England (PHE) labs and NHS hospitals for those with a clinical need and health and care workers.
- Pillar 2: swab testing for the wider population, as set out in government guidance.

Pillar 1 testing has been undertaken since very early in the epidemic, whereas pillar 2 testing was introduced gradually from mid-April. The chart below tracks pillar 1 and 2 confirmed cases, for Blackpool residents over time.

Blackpool - COVID-19 Daily pillar 1 and 2 lab-confirmed cases – to 5 September 2020



Source: <https://coronavirus.data.gov.uk/>

In the period up to 5 September, **1,114** residents of Blackpool tested positive for COVID-19 in Pillar 1 and 2 testing. Given the expansion of the national testing programme the majority of new cases, both nationally and in Blackpool, are now identified in Pillar 2.

Case numbers and rates – comparison

As of 7 September 2020, 1,127 COVID-19 cases have been reported in Blackpool (i.e. this includes some people not resident in Blackpool), a rate of 809.0 per 100,000 population compared to 539.8 across England. The most recent 14 days shows a rate of 23 cases per 100,000 in Blackpool, England 32.3. Whilst this is a relatively low rate compared to other places

in the North West, we would urge everyone to follow the latest government guidance on the “rule of six” and to remember to observe “Hands – Face - Space”.

Corporate Issues

Unprecedented financial impact

Previous reports to Council have sought to convey the speed and sheer volume of work involved in the Council’s response to the pandemic. In an already challenging financial climate, the additional cost of the strains being placed upon the Council budget is simply unprecedented. Impacts include increasing service demand and associated costs alongside a loss of income not just for Council services, but also our private sector providers, our wholly-owned companies and our partners. To do our job effectively we have had budgetary overspends of our own whilst delivering supplier reliefs and subsidies, cash flow loans and other support measures – whilst also quickly implementing systems to channel government funds such as business support grants, business rate reliefs and infection prevention and control grants to those who needed them.

Adding this spend to existing budgetary pressures, working balances are expected to fall by the current forecast overspend of £25.3 million, £14.0 million of which is COVID-related. Most of the remainder consists of the continuing pressures in Children’s Social Care, which have been planned for within a refreshed medium-term financial strategy presented to the Executive on 13 July 2020.

The Government has provided significant financial support to date to mitigate the costs of dealing with the pandemic, as detailed in our last report. A third tranche of COVID support funding of £1.767m was notified in August 2020, which would further reduce our pressures. In addition, the Government has announced a compensation scheme for non-commercial income lost based upon 75% recovery over and above a 5% excess, though the claiming process has not yet commenced.

The current forecast effect on the Council’s 2020/2021 revenue outturn due to the effects of COVID stands at £27.2 million gross. Funding of £9.5m has so far been received from MHCLG net of £380,000 attributable to the 2019/2020 financial year and a contribution of £3.6m is anticipated from Blackpool CCG for Enhanced Hospital Discharges.

Adult Services Financial Position

As would be expected, the above has affected Adult Services particularly. Care packages have increased across the board, showing 10% increase in care at home hours. This is mirrored in NHS funded care packages. We have made significant investment to support providers to deliver safe services, protecting service users and staff and supporting the financial viability of care providers in extremely challenging operational and financial times.

Providers in some areas have experienced reduced activity and income, coupled with significantly increased requirements for additional staffing, PPE (in volume and cost) and in

general consumables. As a result, the Adult Services budget is forecasting a £9.2m estimated expenditure/income losses due to COVID-19 on an £84m gross expenditure budget, set before the pandemic hit. Key pressures include provider fees uplifts/ baseline payments (six months) - £3.1m; spend on Personal Protective Equipment - £2.2m; Other Infection Control measures for providers - £1.65m; Increased hospital discharges - £1.4m; Additional financial viability support to providers - £298,000; Emergency Workforce for urgent deployment to providers - £250,000; Increased hours – internal services - £228,000; Reduced income from cafes, meeting rooms and meals provision - £127,000. This additional spend has been offset to date by Council funding from MHCLG grant monies - £4.4m (out of £11.6m received for all council services); Infection Control Fund Grant from DHSC - £2.2m; NHS funding - £2.6m.

The financial support on offer to providers is now under review, with NHS funding availability ending on 31 August and the Council's additional funding from the Infection Control Fund Grant ending at the end of September. However, the operating conditions for Social Care remain in full pandemic response, with sustained community transmission in evidence and a recent upturn in observed cases nationally. In addition, the NHS has been instructed to return to near-normal pre-COVID levels of operation, prepare for a challenging winter and implement a new discharge pathway. Finally, all the fully NHS-funded packages that were put in place from March to August as an emergency measure and are still in place, must be reviewed before March 2021, with a view to moving Council and service user funded packages back into normal funding measures, creating additional challenges for the service.

General Fund Working Balances and Earmarked Revenue Reserves

The Council's Revenue Budget for 2020/2021 set a target level of General Fund working balances of around £6m and our Finance team is making every endeavour to maintain this target level for the medium term. Whilst we continue to address other financial pressures, this is the kind of financial common sense which leaves us in a stronger position than many other Councils. Earmarked revenue reserves at the start of the financial year stood at a record high of £46.8m, which will be reduced to £34.5m by the end of the year through meeting planned commitments. We expect this to be sufficient to underwrite the current year's financial risks and are putting a separate financial plan in place for the Council's wholly-owned companies.

Although there are uncertainties around how the pandemic will evolve and government's plans for future local authority financial settlements, we hope to get sufficient clarity by the end of the year to refresh our medium-term financial sustainability strategy and deliver an updated medium-term financial plan to cover the next six years.

Collecting Council Tax and Business Rates

Since the start of April this year we have seen an increase in Council Tax Reduction caseload of over 2,000 households, with signs suggesting that this will continue to rise. To alleviate some of the immediate financial impacts to those claiming benefits, the Council Tax Hardship Grant was applied to Council Tax accounts for all Working Age Council Tax Reduction claimants during August 2020 in accordance with government requirements and will continue to be granted for all new customers in this group through the rest of the year.

Despite this, as at the end of August Council Tax collection rates are down 1.54% on last year, with 41.57% of Council Tax currently collected. Recognising the difficulties some people are currently facing, we have sent reminders to customers not in receipt of Council Tax Reduction benefits, but only 13% of the 7,359 subsequently made a payment or an arrangement to pay. With the government's decision to allow Enforcement Agent action to re-start nationally at the end of August, we will move back towards a normal recovery process, directing people towards support mechanisms where appropriate

Positively, we have been able to use a recent DEFRA grant for food and essential supplies to help customers to buy school uniforms where their income has been affected by COVID-19. To date we have awarded 1,946 primary school grants of £30 each (a total of £58,380) and 1,358 secondary school grants of £100 each (£135,800).

We are unable to compare the level of Business Rates collected to last year's figure due to the COVID-19 assistance measures in place, but collection currently stands at 38.92%.

Transforming Services

Maximising local economic benefits through procurement

As a Council, we are firmly committed to developing Blackpool's economy, with a Council Plan priority of maximizing economic growth and opportunity in place since 2015. Members have shown a keen and admirable interest in furthering the opportunities for local businesses to grow by delivering Council service contracts.

The procurement process and awarding of contracts is currently governed by a robust legislative framework of Public Sector Procurement Regulations and Official Journal of the European Union (OJEU) rules and thresholds, together with the Council's own Contract Procedure Rules. These are in place to ensure that a fair process is followed, with strong safeguards in place to prevent any impropriety. The only exception to this is where we authorise a direct award or dispensation for a specific reason, which is reported to Council in the table below.

To support the approach of ensuring that we see local impact from our procurement contracts, we have created a new post of Social Value Coordinator. The post holder is currently developing a suite of Social Value key performance indicators (KPIs), which will include data with a monetary value attached to Social Value delivery in terms of local employment, the use of local supply chain and other important factors. Once the suite of KPIs has been agreed it will be monitored and reported annually to the Corporate Leadership Team and Elected Members either through Executive or Scrutiny.

The recently-opened Lotus School on Langdale Road offers a good example of how our processes can deliver real economic benefits to local firms. The construction was delivered via the Blackpool Local Education Partnership (LEP) Agreement, which the Council had in place with

the Eric Wright Group, formed back in November 2010 under the auspices of the Building Schools for the Future programme. The contract value was £4.5m with the main contract being between Blackpool Council and Blackpool Local Education Partnership Limited and a back-to-back contract between Blackpool LEP and Eric Wright Construction ensuing that much of legal responsibility for delivery was passed to the sub-contractor

Under the terms of the partnership arrangement Blackpool LEP is committed to deliver 15% Local Supply Chain Spend across Lancashire. They have however consistently shown a commitment to use local supply on most, if not all, projects delivered to date, with monitoring data confirming that of the £4.5m approximately £900,000 has been spent with Fylde Coast suppliers and contractors, with a further £1.9m across Lancashire.

Latest figures on the top line spend with local suppliers show that last year the Council spent 39% of external revenue budget with local (FY postcode) suppliers and in Quarter 1 of this year, 43%. It is important to note that although even where the successful primary contractor shown in the table may not necessarily be 'local', in some cases, elements of the work may well be sub-contracted to local suppliers.

Contracts awarded

Since the last Council meeting, contracts awarded are as follows:

CONTRACT	PROVIDER (Locations)	TERM (including extensions)	CONTRACT VALUE	NO. OF INITIAL BIDS	NO. OF BIDDERS WITH FY POSTCODE
ShowTown - Museum Exhibition Content Manager	Kathy Brady (Chester)	2 Years	£40,000	Direct Award	n/a
Red Book Evaluation for Hounds Hill	Jones Lang LaSalle (London)	43 days	£20,000	Direct Award	n/a
Promenade Licence	Chris Cash Amusements (Blackpool)	2 Seasons April – Nov 2020 & 2021	£12,000	2	2
Communications Campaign (Business Indirect Marketing)	Whistlejacket London (London)	12 months + (12 month extension)	£79,041	14	0

CONTRACT	PROVIDER (Locations)	TERM (including extensions)	CONTRACT VALUE	NO. OF INITIAL BIDS	NO. OF BIDDERS WITH FY POSTCODE
Removal of Dead Bodies on behalf of H.M. Coroner Blackpool and Fylde District	Helen Ashmore Funeral Service (Blackpool)	12 months	£90,000	Direct award	n/a
Housing Benefit Assurance Auditor	Deloitte (Manchester)	1 + 1 + 1	£35,000	Direct Award	n/a
Design and construction of Sports Pitches	STRI Ltd (West Yorkshire)	Ad hoc approx. 3 months with 12 month maintenance period	£700,000	9	0
Mechanical Works (£0 - £1,500)	EAS/J Kelly (Fleetwood) Ltd (Blackpool)	4 years	£100,000	6	3
Tramshed	Homes for Students (Yorkshire)	4 years	£880,000	4	0
ShowTown – Base build	Conlon Construction Ltd (Preston)	1 year	£3,500,000	4	0
Supply of Fresh Meat	Trevors Warehouses Ltd (Blackpool)	2 + (1+1)	£160,000	3	1
15 (up to) x Mini-buses	Mellor Coachcraft (Bolton)	3 years (to reflect warranty period)	£1,168,920	Direct Award	n/a

Working with Partners

Local Government Reorganisation

Blackpool has long been supportive of collaborative working in Lancashire, as evidenced by our key role in the Fylde Coast's Economic Prosperity Board, the work of the Lancashire Resilience Forum, our many shared services with other authorities and our role with the Lancashire

Enterprise Partnership. We have also long been a supporter of a Combined Authority for Lancashire, recognising that a binding legal arrangement between Lancashire councils would better enable collaboration and co-ordination on areas of overarching strategic importance including housing, transport, skills, health, regeneration and economic growth and would unlock additional powers and resource available to current Combined Authorities. Council endorsed such a view back in March 2016.

Members will be aware that Leaders of some councils in Lancashire have given their views of what clusters of authorities may form three new Unitaries to deliver local government services in Lancashire, which may be a pre requisite of any agreement for a Combined Authority by Government. Blackpool officers have been reviewing the financial, social and governance implications of any change to the current situation, with a view to identifying the structure which offers the most benefit to Blackpool residents.

With the government due to publish a white paper on devolution in the autumn, we consider that it is prudent to await its publication prior to taking any firm positions. We are clear that our collective focus at this time should not be distracted from the urgent work of protecting our communities from COVID-19 and in supporting the recovery of our economy.